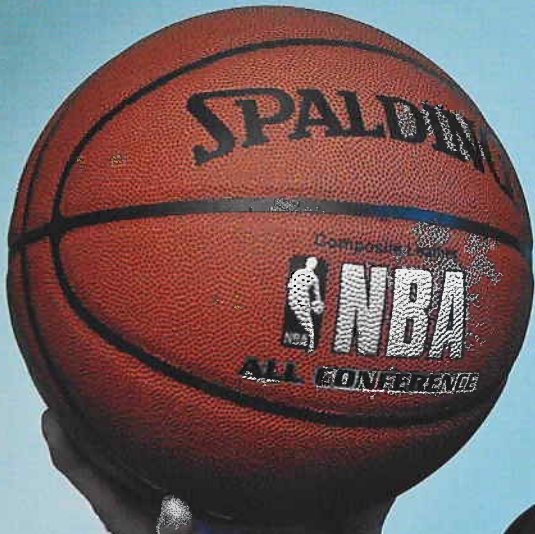


Commercial INTEGRATOR

THE BUSINESS HANDBOOK FOR TECHNOLOGY PROFESSIONALS



No Guts, No Glory

Why Jerry Cifarelli didn't wait for his business to break before reinventing ANC Sports' digital signage game plan. PAGE 44

56%
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CORPORATE
REVENUE
GROWTH

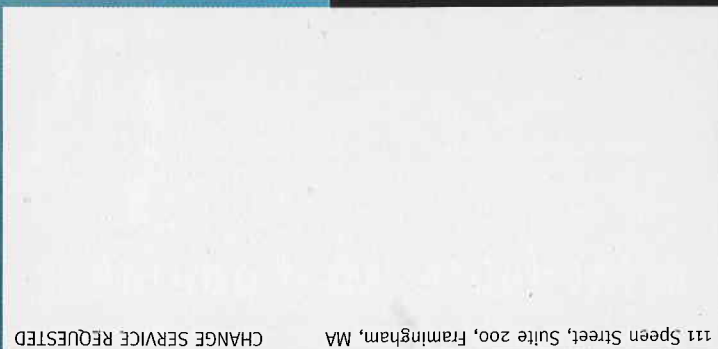
EXCLUSIVE CI RESEARCH
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STATE OF CI JOB MARKET

YOU'RE HIRING ...
BUT NOT THE
SAME OLD TECHS.

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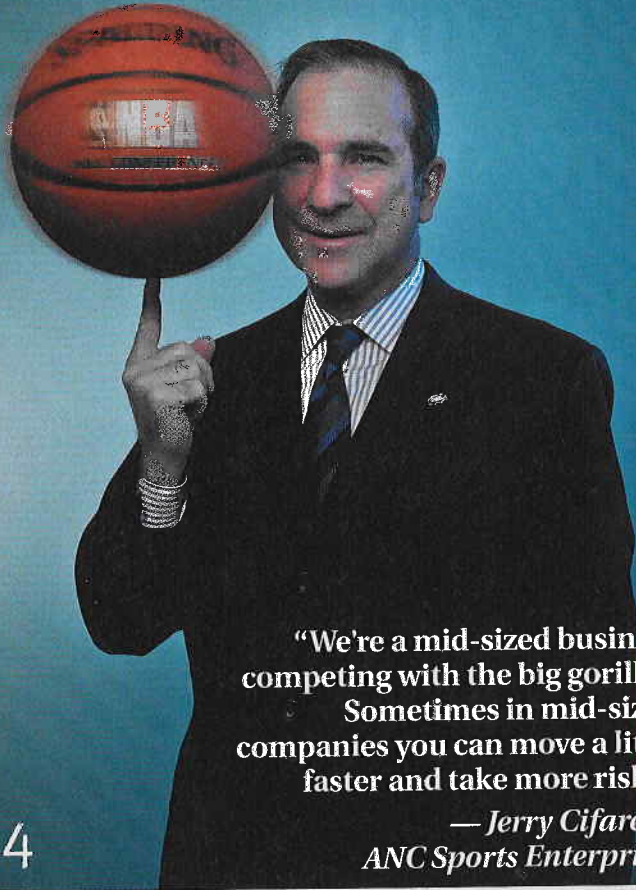


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Commercial INTEGRATOR

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“We’re a mid-sized business competing with the big gorillas. Sometimes in mid-sized companies you can move a little faster and take more risks.”

— *Jerry Cifarelli, ANC Sports Enterprises*

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44 | **CI PROFILE**

Banking on Bold Business Decisions

Instead of the “No Guts, No Glory” tag used for our cover story on sports venue digital signage integrator ANC Sports, we toyed with, “Does Your Business Have Balls?” Some found it a tad offensive — understandable. Our point, though, was to challenge commercial integrators to follow ANC’s lead and make courageous decisions, even if it means altering the direction of an already-successful company.

BY TOM LEBLANC, COVER AND INSIDE PHOTOGRAPHY BY STEVE MOORS

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50 | **OPERATIONS**
Shifting to a Service Model

News flash: If your commercial integration firm is still leaning on profits from product margins, you won’t be in business much longer. CIs explain how they shifted to a service-based business model.

BY D. CRAIG MACCORMACK

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How Cisco-Tandberg Impacted the Industry

The mega-merger took place over a year ago, but the commercial integration industry is still figuring

out how the power play will play out. Integrators discuss the impact on their approach to telepresence and beyond.

BY D. CRAIG MACCORMACK

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State of the CI Job Market

As the U.S. unemployment rate is creeping under 9 percent (at least at press time), it’s time for a thorough evaluation of commercial integration company employment. Are CIs hiring? What skill-sets are appealing to employees? We break it down.

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How the Wynn Was Won

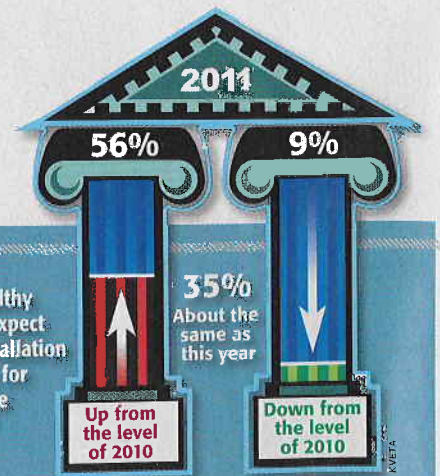
Commercial integrators can learn a lot from this rags-to-riches story. Little-known automation manufacturer Evolve won a bid for the highly-sought-after Wynn Las Vegas contract. See how it scored with simplicity.

BY JULIE JACOBSON

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- ✦ Exclusive survey shows 56% of CIs expect to climb the corporate revenue ladder during 2011.
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FORECASTING: WHEN TO *Go For It*

Great athletes anticipate opponents' next moves. This sports venue integrator reached \$50M by staying two steps ahead of competitors.

By Tom LeBlanc // Photography by Steve Moors



IT'S ONE OF THE LARGEST digital signage integrators in the United States, if not the world; yet most people have probably never heard of it. They've seen its work though. ▶

If you've attended an NBA game or watched one on TV in the last few years, you couldn't have missed ANC Sports Enterprises' technology. It deploys the 360-degree LED ribbon signage you often see circling the courts with in-game messages, entertainment and advertising. All told, two thirds of the NBA arenas use some sort of ANC courtside signage solution.

That's just pro basketball. ANC's signage solutions are used throughout the NFL, NHL, MLB, college venues, entertainment facilities and convention centers.

ANC is so embedded in the event-themed digital signage world that it has been instrumental in developing several iterations of the technology; its software solutions are so in sync with what its sports team clients want that it has essentially co-developed the next-big-things with its video manufacturing partners — 360-degree LED ribbon technology is an example.

Whether or not ANC is actually a "commercial integrator" can be debated, but Jerry Cifarelli, president and CEO, insists that it is. "We don't manufacture any of the LED products. We work with a manufacturer. We take it, install it and integrate it. I look at us as not only an integrator, but a service company."

Talk to anybody at ANC and they'll emphasize the service part of its integration model. The way ANC differentiates itself from competition — in the case of sports venues, competition generally comes from manufacturer-direct solutions — is by providing turnkey solutions.

They're not kidding about the turnkey part. Before, during and after each game played in a venue in which its solutions are deployed, an ANC technician is on hand to make sure the in-game

image and video production is executed properly. Having operators on hand, according to Cifarelli, also allows ANC to get a first-hand perspective of how the team wants to use the technology — what information it would like to deploy and how its unique fans interact with the game. "Fans in Seattle [Mariners' Safeco Field] watch the game differently than fans in [Boston Red Sox's] Fenway Park. The solutions have to be customized," Cifarelli says.

To pull that off, in addition to its 60 full-time employees ANC has as many as 120 part-time technicians, depending on the sports season, operating digital signage systems during events. Three ANC techs were on hand at Cowboys Stadium operating the digital signage during Super Bowl XLV.


Here's the kicker: ANC didn't start as a technology company — unless you call those old rotating, hand-cranked advertising signs you used to see behind home plate "technology." That's what makes the story of how ANC evolved into a fearless, risk-taking digital signage innovator with a service model that CIs can emulate such a good story.

Digital Signage Evolution

You know those guys at sporting events that hold up "John 3:16" signs in front of the cameras? They are as close to digital signage integrators as ANC was when Cifarelli founded it in 1997.

ANC specialized in providing rotational signage on camera-visible in-game advertising inventory, explains director of communications and marketing Michael Hopkins. A couple of years later, though, he says ANC became the leading innovator of digital signage in the sports industry. "Since 1999, we've launched the first 360-degree arena LED ribbon system, unveiled a patent-pending 3D operating system, debuted digital signage courtside in the NBA and placed LED perimeter signage on the field of North American professional football [United Football League]."

But let's go back to 1999. Cifarelli is reluctant to use the word



ANC decided to take what Cifarelli calls "a leap of faith." He hired a lead programmer and formed an entire division essentially to develop technology that would render its current offerings obsolete.

CI Snapshot

ANC Sports Enterprises, LLC
www.ancsports.com

PRIMARY LOCATION: Purchase, N.Y.
ADDITIONAL LOCATIONS: Atlanta (warehouse)

PRINCIPALS: Jerry Cifarelli, president and CEO; David Blalek, president of ANC Sports Marketing

2010 REVENUES: \$50 million (projected)

YEARS IN BUSINESS: 14

EMPLOYEES: 60 full-time (up to 120 part-time)

2010 COMMERCIAL INSTALLS: 20

TOP 3 VERTICAL MARKETS: Sports Venues, Entertainment Facilities and Convention/Exhibit Centers

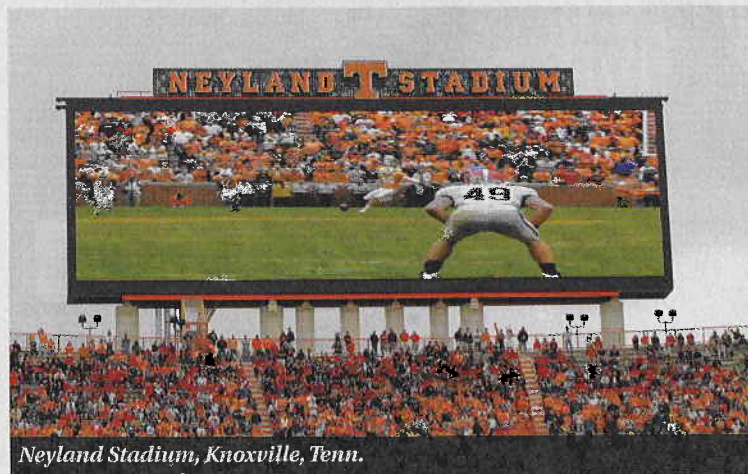
TOP 5 BRANDS: Mitsubishi Diamond Vision, Sony, Panasonic, Pioneer and Apple

"ANC Sports does the most advanced technologies with the premium customer service better than any other company."

WHERE YOU'VE SEEN ANC'S HANDYWORK



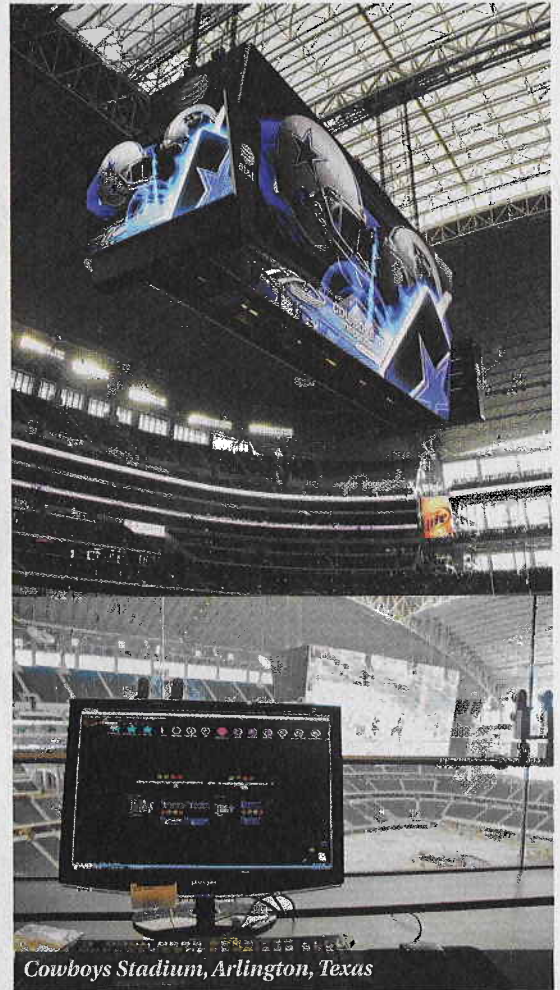
Verizon Center, Washington, D.C.



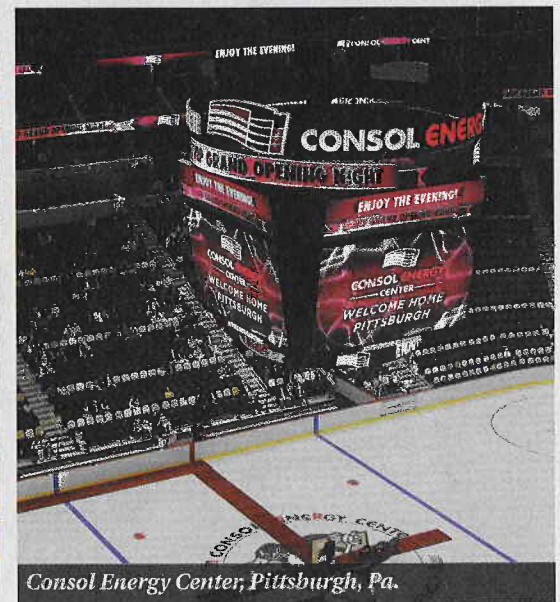
Neyland Stadium, Knoxville, Tenn.



American Airlines Arena, Miami, Fla.

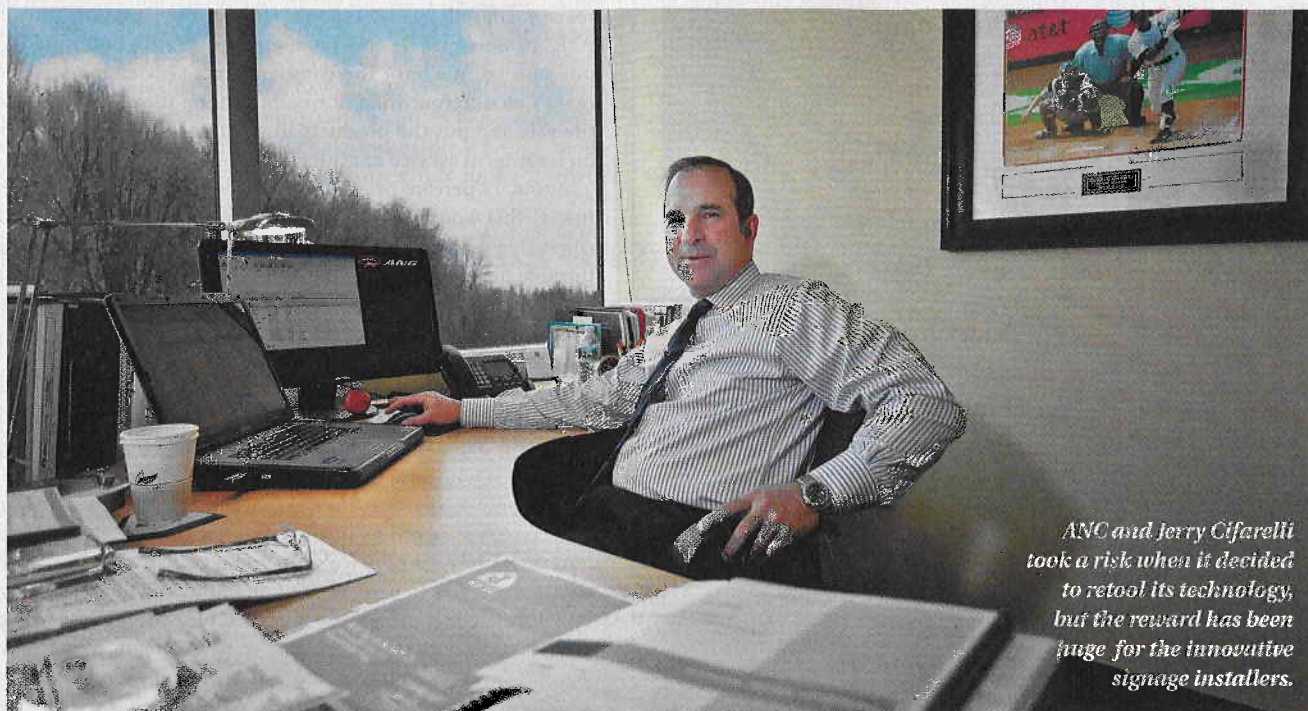


Cowboys Stadium, Arlington, Texas



Consol Energy Center, Pittsburgh, Pa.

» See many more examples in our ANC Sports slideshow on commercialintegrator.com. «



ANC and Jerry Cifarelli took a risk when it decided to retool its technology, but the reward has been huge for the innovative signage installers.

“dominate,” but it’s clear that ANC had a strong share of the sport-venue signage business. Cifarelli had the foresight to know that any dominance it had was fleeting, and he took what must have seemed like a gamble at the time.

In hindsight, the risk was absolutely necessary, Cifarelli says. “The sports and entertainment industry was evolving, searching for new ways to increase revenue while enhancing the fan experience, which included the construction of new facilities, acceptance of new concourse entertainment features and other venue features.”

ANC realized it had to evolve in order to meet its clients’ demands and dove into the technology business, looking to leverage the relationships it had developed as the leading provider of rotational signage to sports venues.

“LED was quickly becoming the staple of signage in sports venues for various reasons, ranging from its longevity, durability and flexibility to image quality,” Cifarelli says. “However, without an advanced operating system, the sports industry wasn’t able to maximize the use of the thin ribbon-like LED technology that beginning appearing in venue fascia in the late ’90s.”

Reinvention No. 1

ANC decided to take what Cifarelli calls “a leap of faith.” He hired a lead programmer and formed an entire division essentially to develop technology that would render its current offerings obsolete. In came Mark Stross, an engineer who had developed an interactive television technology that was used at Disney’s Wide World of Sports facility in Orlando, Fla. He set out to design a first-of-its-kind system for controlling digital signage in sports arenas.

“ANC then traveled the world to form partnerships with LED manufacturers interested in developing long, thin ‘ribbon’ signage, which could be placed on a venue’s fascia replacing the backlit rotational signage the company had at that location,” Hopkins says. ANC has worked with several LED manufacturers, but Mit-

subishi stands out today as its preferred partner, he adds.

In truth, backlit rotational signage is still in use today, so ANC’s old technology never became completely obsolete — but it’s safe to assume that it wouldn’t have become a \$50 million company had it sat back. “Focusing on the next technology, which in theory could replace the company’s [installed] systems, was indeed a risk,” Cifarelli says. “Concerns existed about the acceptance of new technology within sports; however, we felt strongly that the digital applications would not only create an exciting event atmosphere, but also increase revenue opportunities for teams. Today, more sports facilities have fascia ribbon signage than don’t.”

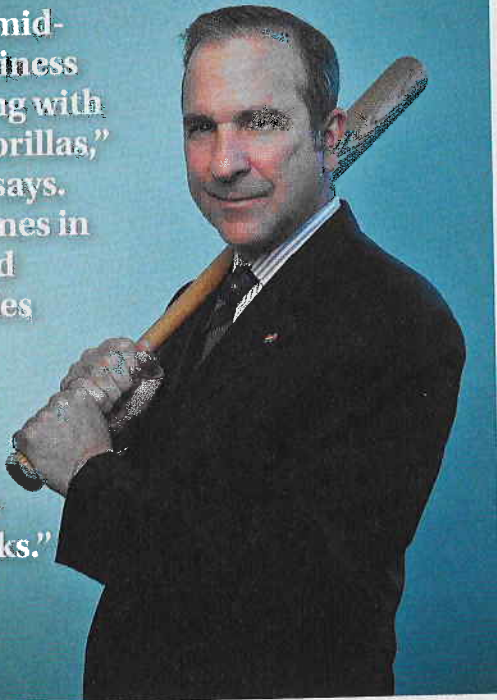
The way Cifarelli looks at it, ANC had no choice but to take a risk and reinvent itself. By commercial integrators’ standards, ANC is very large; but, as mentioned, its competition for sports venue signage projects is mammoth manufacturers. “We’re a mid-sized business competing with the big gorillas out there,” he says. “Sometimes in mid-sized companies you can move a little faster and take more risks. We knew that based on our size we needed a competitive edge and that was really in the sexy, advanced interfaces — our technology needs to be more advanced.”

Sometimes, Cifarelli adds, the pressure to advance technology has gotten ANC into trouble. “We’re not conservative about

If you had to use Twitter to describe what your company does (maximum 140 characters) what would you tweet?

ANC combines unparalleled turnkey customer service with innovative venue signage and marketing solutions.

"We're a mid-sized business competing with the big gorillas," Cifarelli says. "Sometimes in mid-sized companies you can move a little faster and take more risks."



upgrades to our software. Sometimes we have thrown it out there quicker than we maybe should have, but that's the type of approach we take to stay one step ahead."

In fact, when Stross developed the digital signage control interface for sports venues — a move that revolutionized ANC's revenue stream — it wasn't without hiccups. Although Stross, now ANC's chief technology officer, had worked on the Disney sports facility, "Mark wasn't really a sports guy," Cifarelli says. "We asked him to develop these ribbon LED boards and once he developed it we threw it into the marketplace right away. There were different issues we had to deal with. One example is that our interface was built off a video format, and sometimes these jobs need to be static. The boards needed to be still and we were getting flickering images, so we had to come up with upgrades — while [the upgrades] were being developed they were being deployed immediately and running at professional games."

Cifarelli says he has "no regrets" about rolling out the technology too soon. "That was the advantage of who we are. We became known in the industry as more state of the art. We had customers telling us that they wanted to do this and that. We were the new guys who were going to make it happen, but there was a lot of pain along the way."

Showcasing Service

The reason ANC was able to survive the frantic fixing and re-deploying of solutions is because of its service prowess. That's another

reason Cifarelli has no regrets: He says the situation allowed ANC to showcase its core competency. "We are best noted for our service. We built the company on a service model. That makes us different than our competitors; they want to make the sale and put the products in stadiums, but we're focused on long-term service contracts."

About 12 percent of ANC's revenues stem from service contracts. That would not be the case had it not ventured into LED ribbon technology, Hopkins contends. Beyond growing revenue through new installation, "the move to provide LED ribbon systems also positioned the company to provide additional services such as content generation and products such as large high-definition scoreboards."

If ANC relied only on revenue from products and installations it would be in trouble, Cifarelli says. "You make a little money on big installations." The bigger value that ANC brings to its clients, he says, is as a tech partner. "These teams are not technology companies. They're marketing companies that are there to sell their products, their team, their advertising. So we built a model that says we want to be your tech partner. We encourage teams to work with us on improving their game presentation and it's gotten very complex. Our competitors would say, 'Here is our 800 number. Call us when you need us.' We're being more active and want them to use our resources. We take responsibility for the show running perfectly, so we're the ones pressing the buttons."

As such, that 12 percent of revenues that comes from service contracts is poised to grow, Cifarelli says. "It's naturally becoming higher because teams are relying on us more as technology becomes more advanced."

Even the service contracts "aren't huge money makers," Cifarelli says. "But it keeps us in the venue, keeps us with the team, helps us to understand the philosophy of the organization and helps us maximize our product solution."

More Reinventions

ANC's product solutions, meanwhile, constantly seem to trump themselves. In 2004, after half a decade of painstakingly asserting itself as the leader in LED 360 arena technology, the company set out to replace other rotational positions with a digital solution.

It came down to giving its clients options, Hopkins says. "We began the development of various new platforms such as digital courtside systems, field perimeter applications and event-side signage."

As a result, the company got yet another big boost, thanks to the NBA embracing digital courtside signage, Cifarelli explains. "In 2004, several NCAA institutions had placed LED signage courtside. The NBA was hesitant to approve the technology, mainly for safety reasons; however, teams were interested in the flexibility of digital signage courtside."

ANC worked with the NBA and its teams to develop a DLP system

Cifarelli says he has "no regrets" about rolling out the technology too soon. "We had customers telling us that they wanted to do this and that. We were the new guys who were going to make it happen, but there was a lot of pain along the way."

to be used at one trial venue during the 2005-06 season. "Since that time, ANC has debuted the first approved LED system as well as deployed 12 DLP systems throughout the league."

It seems likely that ANC will have a hand in reinventing sports venue signage standards again ... and again. When asked what commercial integrators ought to take away from a profile on his company, Cifarelli says companies can learn to look for where

the industry going — and focus on getting there first. Much like ANC competes with manufacturers for sports venue digital signage projects, many commercial integrators looking to pick up telepresence projects appear to be on a collision course with behemoth manufacturers like Cisco-Tandberg.

The way ANC wins its battles is through better service and closer relationships with its clients. Maybe that's the lesson. **CI**

Fenway Park: Integrating Giant HD Screens with Charm

THE WINTERY WEATHER IN BOSTON was the least of ANC Sports Enterprises' worries as it spent the Red Sox offseason installing three high-definition video screens in Fenway Park. The bigger concern is that high-tech additions don't mess with the park's historic charm.

Like all Fenway Park renovations since the John Henry-led ownership group took over in 2002, the goal is to enhance the Fenway experience without detracting from its character.

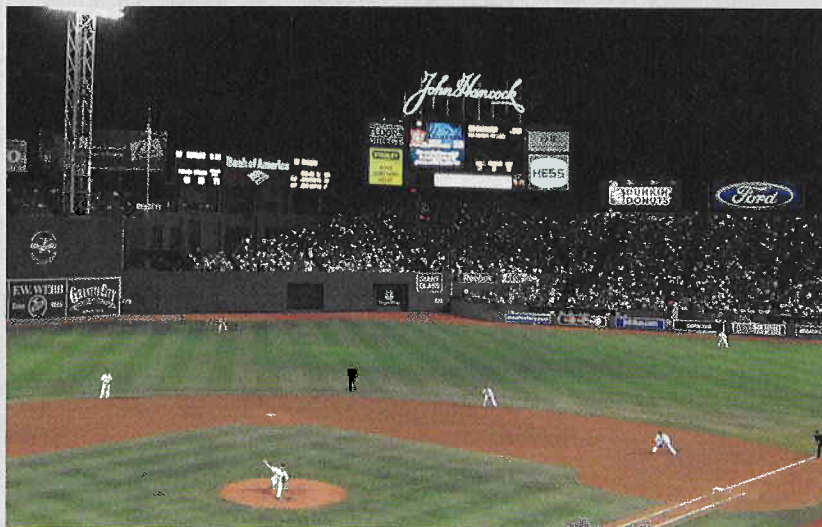
It's hard to imagine three Mitsubishi Diamond Vision video screens — the largest of which is 38 feet high by 100 feet wide — being subtle, but ANC CEO Jerry Cifarelli is up for the challenge.

Fenway Park, he says, provides a good example of what ANC is best at: Creating custom solutions for sports venues' unique fan experiences. "You're in a historical venue. You're not going to see crazy graphics; it's not the way the Red Sox want their team presented."

The Fenway project provided nice contrast to another off-season ballpark renovation ANC tackled over the winter, Seattle Mariners' Safeco Field, says ANC's director of creative integration Jay Flaster. For Mariners fans, ANC developed creative and dynamic graphic elements. One of them, ironically, is a takeoff of Fenway's Green Monster out-of-town scoreboard in which a graphic hand appears to manually change out the numbers and update the scores.

ANC's process of figuring out how to deliver the right graphical information to Fenway fans is on-going, Cifarelli says, and is influenced by "a lot of input" from Red Sox president and CEO Larry Lucchino.

"They want to give their fans a lot of information and statistical data," Cifarelli says. "We're figuring out the proper template for giving the fan the most important information at specific moments throughout the game. That's what's going to be important to the Red Sox fan."



Fans at historic Fenway Park will be treated to additional video and stats this season.

It's certain that the centerfield scoreboard area will look a lot different. The largest screen will be the main video board and replace many long-standing elements of the green wall above the centerfield bleachers, including the 23 feet high by 30 feet wide scoreboard familiar to fans since 1999 season.

The new screens will be able to provide approximately 3,800 square feet of dynamic video capabilities in a variety of formats, according to ANC.

There's still room for subtlety. Cifarelli says that driven by ANC's VisionSOFT operating system the new main video screen "will be able to mimic the look of the old rotational sponsor signs or dissolve into various formats such as full-screen live video, game action accompanied by real-time statistics, sponsor graphics partnered with box scores or any combination of visuals and game information."

Two additional displays will flank the main screen. The existing Bank of America hitters and pitchers board in left center field will turn into a 17 feet high by 100 feet wide video screen with a new illuminated Bank of America sign. A third screen,

16 feet high by 30 feet wide, will connect the Ford and Dunkin Donuts sponsor signs above the bleachers in right field. Both will feature real-time information such as batter and pitcher stats, pitch speed and type, box scores, promotions, announcements, upcoming schedules and other messaging, according to ANC.

ANC's Fenway project is among the first to leverage its new relationship with software firm ScorePad and its STADIUMnet scoring interface. What that means, ANC's director of communication and marketing Michael Hopkins says, is it will allow ANC to provide Fenway fans with more of the same real-time statistical information and graphics they would see while watching the game on TV at home.

What the Red Sox and ANC determine to be the "proper game presentation" is likely to evolve, Cifarelli says. "We're in the middle of the installation now and we're working on the style guide. It's no different than running a TV show. We're scripting the show for opening night, but ownership might say, 'We like this but not that.' We'll evolve with the team to create the presentation that gives the fans what they want." ❧